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STUDY TITLE Impact of Offshore Petroleum Exploration and Production on the Social  
Institutions of Coastal Louisiana

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Institutions of **Coastal** Louisiana

CONTRACT NUMBER (S): 14-35-0001-30470

SPONSORING OCS REGION: Gulf of Mexico

APPLICABLE PLANNING AREA Central Gulf of Mexico

FISCAL YEAR (S) OF PROJECT FUNDING: 1990-1991

COMPLETION DATE OF REPORT **July** 1993

COST(S): FY: 1990:\$105,571; **FY:** 1991: \$0; CUMULATIVE PROJECT COST: \$105,571.

PROJECT **MANAGER(S):** S. Laska

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PRINCIPAL INVESTIGATOR (S)\*: S. Laska, **V.** Baxter, S. Brabant, C. **Forsyth**, R. Seydlitz, R  
**Thayer**.

KEY WORDS Central **Gulf; Louisiana**; sociology; economics; political science; community  
planning; development; social impact; economic impact.

**BACKGROUND:** Social and economic impacts are an **unrefuted** outcome of primary resource  
extraction activities. Except for a few limited economic studies, the impact of activities on the **Gulf**  
of Mexico OCS had never been examined. Growing recognition of the importance of determining  
such social and economic impacts and mitigating those **which** are negative prompted considerations by  
MMS of **funding** such research under the Environmental **Studies** Program and the University  
Initiative.

**OBJECTIVES:** To examine impacts at four different levels of social organization and focus on  
several different social dynamics: (1) impact on the family of OCS employment focusing on father  
employments in OCS offshore work; (2) impact on the community of involvement in OCS activity  
focusing on poverty, social service response to it, social **disorganization**, economic benefits and  
human resource development; (3) impact on political organization and viability **focusing** on the state  
and parishes; (4) impact of world political and economic processes on Gulf of Mexico **OCS-related**  
social and economic conditions,

**DESCRIPTION:** Five different principal investigators in conjunction with the project manager, four  
other faculty, one research associate and eight graduate students as well as several nonpaid **academic**

consultants undertook five different projects. Three projects analyzed existing data obtained from various government and industry sources (Baxter, **Seydlitz**, **Thayer**, **Brabant**); three projects collected new data through in-depth interviews (**Brabant**, Forsyth, **Thayer**). Analytical methodologies ranged from statistical time series analysis to detailed analysis of qualitative interview data. The **projects** were then compiled in report form and the P. 1. (**Laska**) with the assistance of one of the investigators (Baxter) prepared the Executive Summary.

**SIGNIFICANT CONCLUSIONS:** OCS activity has had a major impact on the social institutions of coastal Louisiana. Some of these impacts have been negative; some have been positive. The manner in which the impacts occur is often very complex and subtle. It is often found in areas which are not immediately obvious to those not trained in social science or **social** science change/development research, for example the impact of rapid economic change on suicide rates, The exact mechanisms through which the impact occurs from the drilling of the wells and **determination** of prices to social and economic effects have only begun to be understood; much more needs to be done in tracing the paths from extraction activities through the intervening variables to ultimate social and economic effects. The linkages which are evident--especially the strong influence which international corporate and government action has on local realities--argue for policies **which** empower states and local communities to counterbalance these forces by managing the OCS activity as much as possible in the interest of the extraction site, in this case Louisiana and its communities.

**STUDY RESULTS:** (1) Families whose fathers work in the oil industry must make significant adjustments due to the lengthy duration of both work and off-time schedules. There are **several** common adjustments patterns. Some of these adjustments are functional, others are **dysfunctional**; (2) Poverty does not vanish during the "boom" component on the extraction cycle; rather it changes. In the "**bust**" phase, poverty is experienced by individuals who have never been economically threatened before. Such changes require adjustments by social service agencies both in terms of the number of services **which** are provided, the nature of these services and the number of clients they must serve; (3) High levels or a rapidly changing amount of activity in the petroleum industry are associated with a **higher** incidence of **social** problems (**higher** homicide and suicide rates), increases in basic human capital (lower high school dropout rates) and decreases in enhancement level human capital (fewer high school graduates going onto college). While impacts of OCS are most likely experienced in the Louisiana parishes most involved in OCS activity, those less involved are also impacted by virtue of their comparatively weak economic condition; (4) Involvement with OCS resulted in the state restructuring its tax system to rely on the petroleum revenues. The "bust" phase, thus, required considerable adjustment and restructuring which are slowed by the way in which the dependency on petroleum revenues had been originally structured; (5) The fate of coastal Louisiana is greatly dependent on political/economic **decisions** made by the world industry and governments throughout the world.

**STUDY PRODUCTS** Forsyth, **C.J.** and **D.K. Gauthier**. 1991. "Families of offshore oil workers: adaptations to cyclical father absence/presence," Sociological Spectrum 11: 177-201.

Seydlitz, R., S. **Laska**, D. Spain, **E.** Triche and **K.** Bishop. 1993. "Development and social problems: the impact of the offshore oil industry on suicide and homicide rates." Rural Sociology 58 (1): 93-110.

\*P. 1.'s **affiliation** may be different than that listed for the Project Manager(s)

